



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
www.cityofdenton.com

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Finance

**ACM:** Cassey Ogden

**DATE:** July 8, 2024

### **SUBJECT**

Receive a report, hold a discussion, and give staff direction on the proposed Solid Waste, Water, Wastewater, and Electric rates for FY 2024-2025.

### **BACKGROUND**

The purpose of this work session is to provide detail to the Public Utilities Board (PUB) regarding the preliminary Solid Waste, Water, Wastewater, and Electric rates for fiscal year 2024-2025. The preliminary fiscal year 2024-2025 operating budgets were presented to PUB on June 24<sup>th</sup>.

Below is a summary of the proposed rate changes for Solid Waste, Water, Wastewater, and Electric. No changes to the rate schedule for Drainage or Customer Service are proposed for FY 2024-25.

### **Solid Waste**

- Increase the following rates:
  - Residential Cart Service 1.5% Increase
  - Commercial Cart Service 1.5% Increase
  - Commercial Trash 1.5% Increase
  - Roll Off Rates \$25 Increase (Hauls)  
\$2.92 Increase (Rental)
  - Compactor Rates \$25 Increase Roll Off (Hauls)  
\$1.05 Increase (Rental 30 Cu. Yd.)  
\$4.25 Increase (Rental 40 Cu. Yd.)
  - Landfill Flat \$1.50 Increase (except shingles)
- Add the following rates:
  - Add a \$20.00 fee for non-residential electronics disposal.

### **Water**

- Fire Hydrant Meter Deposit
  - Increase hydrant meter deposit from \$1,100 to \$3,000 (approximate replacement cost of an unreturned meter).
  - Increase the backflow testing fee from \$15.95 to \$25.00 to recover the testing expenditures.
  - Add monthly fee for backflow service of \$4.16 per month. This fee would recover the administrative expenses of the backflow testing program.
  - Add a fee for non-COD meter testing of \$25. Currently this service is provided for free to other municipal entities.

- Wholesale Raw Water
  - Per current contract, agreed upon rate is 85% of Dallas’s raw volume rate. Increase rate from \$0.90083 to \$0.96000 to align with contract.
- Wholesale Treated Water
  - Increase water volume rate from \$0.61 per 1,000 gallons to \$1.25 per 1,000 gallons.
- Commercial Irrigation
  - Change from a flat rate of \$6.61 per 1,000 gallons to a tier structure based on water usage to encourage conservation and align with other metroplex cities.
    - \$6.80 per 0 – 7,000 gallons
    - \$7.25 per 7,001 – 20,000 gallons
    - \$8.50 per 20,001 – 40,000 gallons
    - \$9.50 per 40,000+ gallons
- Residential & Commercial Rates
  - 3% increase in rates for residential customers

### **Wastewater**

- Sale of Treated Effluent
  - \$1.67/1000 gal increased to \$2.50/1000 gal
- Wastewater Tap Fees
  - Changing from a flat fee to a variable fee assessed on a per project basis and reflective of actual cost of work.
- Waste Manifest Document Fees
  - Waste Manifest is the shipping document that travels with hazardous waste from the point of generation, through transportation, to the final treatment, storage, and disposal facility. Manifest books are billed at \$40, but the actual cost to the City is \$165. We recommend increasing the charge to \$165 to eliminate the \$125 subsidy.
- Residential & Commercial Rates
  - 11% increase in rates for commercial and residential customers
- 1-2” Tap Fees
  - Increase in tap fees to recover actual expense costs associated with tapping. Rate increase varies by tap size, ranging from \$441 to \$2,411.
- 4+” Tap Fees
  - Change to variable fee structure on a per project basis to recover actual expense costs associated with project specifications.

### **Electric**

- Proposed base rate increase of 1.5% subject to cost of service analysis. Results will be brought forward to PUB at a later date.

### **EXHIBITS**

Exhibit 1 – Agenda Information Sheet  
 Exhibit 2 – FY 2024-25 Rate Presentation

Respectfully submitted:  
 Jessica Williams  
 940-349-7899  
 Chief Financial Officer

Prepared By:  
 Matt Hamilton  
 940-349-8127  
 Budget Manager